



# NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.  
See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).

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## **FCC FINDS QWEST FAILED TO SHOW NEED TO CHANGE POLICY STATUS QUO IN PHOENIX, ARIZONA MARKET**

*Agency Provides Clear Guidance for Future Competition Reviews*

Washington, D.C. – Noting the benefits of competitive markets for promoting investment and protecting consumers, the Federal Communications Commission today released an order denying Qwest Corp.’s request that the current pro-competition policy status quo be changed in the Phoenix, Ariz. market. This outcome is consistent with previous FCC denials of similar petitions in 2007 and 2008.

In reviewing Qwest’s petition, the Commission applied a data-driven and economically sound “market power” analysis to determine whether Qwest had shown that the competition policies governing traditional telephone services in Phoenix were no longer necessary. While the Commission found that Qwest failed to demonstrate that it no longer had market power for the relevant services in Phoenix, the agency acknowledged the significant growth of wireless and residential cable voice services. Moving forward, the FCC indicated that stronger evidence of lack of market power in future proceedings could result in a different outcome.

Consistent with the FCC’s goal of encouraging competitive markets that can create jobs, fuel economic growth, and offer innovative services for consumers, today’s Order provided more predictability about the review process by offering guidance to future petitioners regarding the kinds of data and analysis that will support relief. Simultaneous with release of the Order, the Wireline Competition Bureau released a Public Notice seeking comment on the application of the *Qwest-Phoenix* framework to two pending proceedings on remand from the D.C. Circuit, one from Verizon regarding six metropolitan areas and another from Qwest regarding four metropolitan areas, as well as future similar requests.

Action by the Commission, June 15, 2010, by Memorandum Opinion and Order (FCC 10-113). Chairman Genachowski, Commissioners Copps and Clyburn, with Commissioners McDowell and Baker concurring. Chairman Genachowski and Commissioners Copps, McDowell, and Baker issuing separate statements.

Docket No.: 09-135

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